

Message Text

LIMITED OFFICIAL USE

PAGE 01 OTTAWA 05038 222310Z
ACTION EB-07

INFO OCT-01 EUR-12 NEA-10 ISO-00 AGRE-00 AID-05 IO-13
USIA-06 COME-00 TRSE-00 CIAE-00 INR-07 NSAE-00 L-03
PA-01 PRS-01 /066 W

----- 098912 /71

R 222222Z DEC 76
FM AMEMBASSY OTTAWA
TO SECSTATE WASHDC 1996
INFO AMEMBASSY ALGIERS

LIMITED OFFICIAL USE OTTAWA 5038

PASS AGRICULTURE - GSM/USDA

E.O. 11652: N/A
TAGS: EAGR, ETRD, CA
SUBJ: CANADIAN-ALGERIAN LONG-TERM WHEAT AGREEMENT

REF: OTTAWA 3043

1. EMBASSY RECEIVED FOLLOWING LETTER FROM SHANNON, EXTAFF
ON 12/21/76:

2. QUOTE. THIS IS WITH REFERENCE TO YOUR LETTER OF JULY 26
REGARDING CANADIAN WHEAT AGREEMENTS WITH ALGERIA. I SHALL
PROVIDE SOME BACKGROUND ON THESE AGREEMENTS BEFORE COMMENT-
ING ON THE POSSIBILITY OF OUR UNDERTAKING CONSULTATIONS ON
THE MATTER AT THIS TIME.

3. QUOTE THE ANNOUNCEMENT OF MAY 28 TO WHICH YOU REFER
INVOLVED SALES UNDER TWO AGREEMENTS FOR SUPPLY AND PURCHASE
BETWEEN THE GOVERNMENT OF CANADA AND ALGERIA. ONE AGREEMENT,
DATING BACK TO 1972, AND FOR WHICH WE NOTIFIED THE FAO
SUB-COMMITTEE ON SURPLUS DISPOSAL, PROVIDES FOR SUPPLY
AND PURCHASE OF UP TO 500,000 METRIC TONS A YEAR ON
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OTTAWA 05038 222310Z

CONCESSIONAL TERMS OVER THE FIVE-YEAR AGREEMENT. THE
OTHER AGREEMENT, ON COMMERCIAL TERMS, WAS CONCLUDED
THIS PAST SPRING, FOR THE SALE OF BETWEEN 500,700-675,000
METRIC TONS OF CANADIAN WHEAT OVER THE NEXT THREE YEARS.

4. QUOTE IN YOUR LETTER YOU REFER TO A REVISION OF THE

FIVE-YEAR AGREEMENT ON WHICH WE HAD OFFERED TO CONSULT IN 1972. THERE HAS IN FACT BEEN NO CHANGE IN THE TERMS OF THAT AGREEMENT. LAST SPRING CANADIAN WHEAT BOARD OFFICIALS CONCLUDED SALES CONTRACTS UNDER THE CONCESSIONAL AGREEMENT PROVIDING FOR THE SUPPLY OF 225,000 METRIC TONS FROM AUGUST 1976 TO DEC 1977. THOSE CONTRACTS FULFILLED CANADIAN OBLIGATIONS UNDER THE FIVE-YEAR CONCESSIONAL AGREEMENT, WITH TOTAL DELIVERIES UNDER THE AGREEMENT OF 675,000 METRIC TONS, RATHER THAN THE POSSIBLE 2,500,000 METRIC TONS.

5. QUOTE THE CSD PROCEDURES WOULD NOT APPEAR TO PROVIDE ANY SPECIFIC GUIDANCE ON WHETHER OR NOT THE ORIGINAL UMR RE-ESTABLISHED IN 1972 REMAINS APPROPRIATE. I THINK THE PROCESS FOR DETERMINING A UMR IS RATHER STRAIGHT-FORWARD AND WERE WE TO ESTABLISH ONE FOR A NEW SALES AGREEMENT IT MIGHT BE HIGHER TODAY THAN IT WAS IN 1972. ON THE OTHER HAND THE UMR OF 500,000 METRIC TONS PER YEAR WAS INCORPORATED IN A FIVE-YEAR AGREEMENT COVERING OUR LATEST CONCESSIONAL SALES, AND WAS NOTIFIED AS SUCH THROUGH THE CSD PROCEDURE IN 1972. WE DO NOT HAVE IN OUR RECORDS, ANY QUERIES OR COMMENTS FROM U.S. AUTHORITIES ON OUR 1972 NOTIFICATION, SO I MUST ASSUME THAT AT THE TIME THERE WAS NO GREAT CONCERN OVER ESTABLISHING A UMR TO COVER A FIVE-YEAR AGREEMENT.

6. QUOTE I TRUST THESE COMMENTS WILL BE OF SOME HELP IN CLARIFYING OUR CURRENT ARRANGEMENTS WITH ALGERIA. IN LIGHT OF THEM I WOULD HOPE YOUR AUTHORITIES WOULD AGREE TO LEAVE THE UMR AT A LEVEL OF 500,000 METRIC TONS FOR THE REMAINDER OF CROP YEAR 1976/77 ON THE UNDERSTANDING LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 OTTAWA 05038 222310Z

THAT WE WILL, SHOULD CANADA CONTINUE AS THE MAJOR FOOD AID DONOR TO THIS MARKET, CLOSELY EXAMINE AN INCREASE IN THE UMR FOR SUBSEQUENT YEARS. SHOULD YOU HAVE ANY FURTHER COMMENTS OR QUESTIONS, I WOULD OF COURSE BE READY TO ADDRESS THEM. UNQUOTE
ENDERS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: WHEAT, TRADE AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 22 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ellisoob
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976OTTAWA05038
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760470-0685
From: OTTAWA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761220/aaaaarhl.tel
Line Count: 103
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 OTTAWA 3043
Review Action: RELEASED, APPROVED
Review Authority: ellisoob
Review Comment: n/a
Review Content Flags:
Review Date: 15 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <15 APR 2004 by BoyleJA>; APPROVED <03 AUG 2004 by ellisoob>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CANADIAN-ALGERIAN LONG-TERM WHEAT AGREEMENT
TAGS: EAGR, ETRD, CA
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006